



DEPARTMENT OF COMMERCE

**International Trade Administration**

**[A-570-022, C-570-023]**

**Certain Uncoated Paper from the People's Republic of China: Affirmative Preliminary Determinations of Circumvention of the Antidumping and Countervailing Duty Orders for Uncoated Paper Rolls**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that imports of certain uncoated paper rolls from the People's Republic of China (China) are circumventing the antidumping duty (AD) and countervailing duty (CVD) orders on certain uncoated paper from China. As a result, imports of certain uncoated paper rolls from China on or after October 10, 2019 from certain companies will be subject to suspension of liquidation. For all remaining companies, imports of certain uncoated paper rolls from China on or after November 6, 2020 will be subject to suspension of liquidation. Commerce is also imposing a certification requirement. We invite interested parties to comment on these preliminary determinations.

**DATES:** Applicable **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**FOR FURTHER INFORMATION CONTACT:** Emily Halle, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0176.

**SUPPLEMENTARY INFORMATION:**

Background

On October 10, 2019, Commerce initiated an anti-circumvention inquiry to determine whether imports of certain uncoated paper rolls, that are further processed into uncoated paper

sheets in the United States,<sup>1</sup> are circumventing the *Orders* on certain uncoated paper from China.<sup>2</sup> Commerce issued questionnaires soliciting data on the quantity and value of exports of uncoated paper to various companies. We received responses to these questionnaires from all parties except two, Central National Asia Limited (CNAL) and Kingdecor (Zhejiang) Co., Ltd. (Kingdecor).

Subsequently, Commerce selected six companies and required them to respond to a full questionnaire relating to their export activity with respect to uncoated paper (mandatory respondents).<sup>3</sup> We received no-shipment responses from three of these companies, *i.e.*, Asia Symbol,<sup>4</sup> Gold Huasheng,<sup>5</sup> and Marubeni,<sup>6</sup> while the remaining three, *i.e.*, Shandong Sun Paper Industry Joint Stock Co Ltd (Shandong Sun Paper), Sun Paper (Hong Kong) Co., Limited, (Sun Paper HK), and Sunpack Paper Products Company (Sunpack), did not respond. For a complete description of the events that followed the initiation of this inquiry, *see* the Preliminary Decision Memorandum.<sup>7</sup>

---

<sup>1</sup> See *Certain Uncoated Paper Products from Australia, Brazil, the People's Republic of China, and Indonesia: Initiation of Anti-Circumvention Inquiry of Antidumping and Countervailing Duty Orders*, 84 FR 55915 (October 18, 2019) (*Initiation Notice*).

<sup>2</sup> See *Certain Uncoated Paper from Australia, Brazil, Indonesia, the People's Republic of China, and Portugal: Amended Final Affirmative Antidumping Determinations for Brazil and Indonesia and Antidumping Duty Orders*, 81 FR 11174 (March 3, 2016); *see also* *Certain Uncoated Paper from Indonesia and the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order*, 81 FR 11187 (March 3, 2016) (collectively, *Orders*).

<sup>3</sup> See Memorandum, "Respondent Selection," dated May 18, 2020.

<sup>4</sup> Asia Symbol includes the following companies: Greenpoint Global Trading (Macao) Commercial Offshore Ltd. (Greenpoint)/Asia Symbol (Guangdong) Paper Co., Ltd./Asia Symbol (Shandong) Pulp and Paper Co., Ltd..

<sup>5</sup> Gold Huasheng Paper Co., Ltd Inc. (Gold Huasheng) also includes its affiliated parties Gold East Paper Co., Ltd., Hainan Jinhai Pulp and Paper Company, and Ningbo Zhonghua Paper Co, Ltd.

<sup>6</sup> Marubeni (China) Corporation, Ltd. (Marubeni) also includes its affiliates Marubeni America Corporation and Marubeni (Shanghai) Corporation, Ltd.

<sup>7</sup> See Memorandum, "Preliminary Decision Memorandum for Anti-Circumvention Inquiry of the Antidumping and Countervailing Duty Orders on Certain Uncoated Paper from the People's Republic of China: Uncoated Paper Rolls," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

### Scope of the *Orders*

The merchandise subject to these *Orders* includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).

Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated ground wood paper produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.

Specifically excluded from the scope of these *Orders* are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes. For purposes of this scope definition, paper shall be considered “printed with final content” where at least one side of the sheet has printed text and/or graphics that cover at least five percent of the surface area of the entire sheet.

On September 1, 2017, Commerce determined that imports of uncoated paper with a GE brightness of 83 +/- 1% (83 Bright paper), otherwise meeting the description of in-scope merchandise, constitute merchandise “altered in form or appearance in minor respects” from in-scope merchandise that are subject to these *Orders*.<sup>8</sup>

Imports of the subject merchandise are provided for under Harmonized Tariff Schedule of the United States (HTSUS) categories 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.57.1000, 4802.57.2000,

---

<sup>8</sup> See *Certain Uncoated Paper from Australia, Brazil, the People’s Republic of China, Indonesia, and Portugal: Affirmative Final Determination of Circumvention of the Antidumping and Countervailing Duty Orders*, 82 FR 41610 (September 1, 2017).

4802.57.3000, and 4802.57.4000. Some imports of subject merchandise may also be classified under 4802.62.1000, 4802.62.2000, 4802.62.3000, 4802.62.5000, 4802.62.6020, 4802.62.6040, 4802.69.1000, 4802.69.2000, 4802.69.3000, 4811.90.8050 and 4811.90.9080. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope is dispositive.

#### Merchandise Subject to the Anti-Circumvention Inquiries

These anti-circumvention inquiries cover certain uncoated paper rolls that are commonly, but not exclusively, known as “sheeter rolls,” from China that are further processed in the United States into individual sheets of uncoated paper that would be subject to the *Orders* (*i.e.*, paper that weighs at least 40 grams per square meter but not more than 150 grams per square meter; and that either is a white paper with a GE brightness level of 83 +/-1% or higher or is a colored paper (as defined above)), except as noted below. The uncoated paper rolls covered by these inquiries are converted into sheets of uncoated paper using specialized cutting machinery prior to printing, and are typically, but not exclusively, between 52 and 103 inches wide and 50 inches in diameter. For clarity, we herein refer to “subject-paper rolls” when referencing the certain uncoated paper rolls that may be converted into subject merchandise. Subject-paper rolls are classified under HTSUS category 4802.55.<sup>9</sup>

Certain importers of the subject-paper rolls that are not converted into subject merchandise may certify that the rolls are not further processed into subject merchandise covered by the scope of the *Orders*. Failure to comply with the requisite certification requirement may result in the merchandise being found subject to antidumping and countervailing duties.

#### Methodology

Commerce made this preliminary finding of circumvention in accordance with section 781(a) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.225(g). We relied on

---

<sup>9</sup> See *Initiation Notice*, 84 FR at 55917.

information placed on the record by the petitioners.<sup>10</sup> Further, because certain interested parties did not cooperate to the best of their abilities in responding to Commerce's requests for information, we have based our preliminary determinations on the facts available, with adverse inferences, pursuant to sections 776(a) and (b) of the Act, as necessary.<sup>11</sup>

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached at the Appendix to this notice.

#### Affirmative Preliminary Determinations of Circumvention

Based on our analysis, as detailed in the Preliminary Decision Memorandum, we preliminarily find, pursuant to section 781(a) of the Act, that all imports from China of uncoated paper rolls that meet the description of inquiry merchandise above (*i.e.*, subject-paper rolls), regardless of producer, exporter, or importer, constitute further-processed merchandise that is circumventing, and should be included within, the scope of the *Orders*.

We also preliminarily determine that Asia Symbol, Gold Huasheng, and Marubeni did not export subject-paper rolls from China to the United States during the period of inquiry.<sup>12</sup>

To administer this affirmative circumvention determination, Commerce is requiring that importers of certain paper rolls from China that otherwise match the physical description of

---

<sup>10</sup> The petitioners are Domtar Corporation, Packaging Corporation of America, North Pacific Paper Company, Finch Paper LLC, and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union.

<sup>11</sup> *See* Preliminary Decision Memorandum at Section VII.B.

<sup>12</sup> The period for these inquiries examines the time period starting in the month the initiations of the underlying *Orders* was published, and ending four years later, *i.e.*, February 1, 2015, through February 28, 2019.

subject-paper rolls and that are not further processed into uncoated paper sheets subject to the *Orders* certify that the merchandise will not be further processed into subject uncoated paper sheets. Importers of such merchandise will be required to certify and maintain their certifications and supporting documentation to provide to CBP and/or Commerce upon request.<sup>13</sup> Properly certified entries are not subject to antidumping or countervailing duties under the *Orders*. Exemption from antidumping and countervailing duties under the *Orders* is permitted only if the certification and documentation requirements specified in Appendix II and III are met.

Entries of subject-paper rolls produced and/or exported by the non-responsive companies (*i.e.*, CNAL, Kingdecor, Sunpack, Sun Paper HK, and Shandong Sun Paper) are not eligible for certification.

#### Suspension of Liquidation

In accordance with 19 CFR 351.225(l)(2), for entries of subject-paper rolls that were produced and/or exported by CNAL, Kingdecor, Shandong Sun Paper, Sun Paper HK, and Sunpack (collectively, the non-responsive companies), Commerce will instruct U.S. Customs and Border Protection (CBP) to suspend liquidation of subject-paper rolls (as defined in the “Merchandise Subject to the Anti-Circumvention Inquiry” section above) from China that are entered, or withdrawn from warehouse, for consumption on or after October 10, 2019, the date of initiation of this anti-circumvention inquiry.<sup>14</sup> For all other entries of subject-paper rolls, Commerce will instruct CBP to suspend liquidation of the subject-paper rolls from China that are entered, or withdrawn from warehouse, for consumption on or after the signature date of these preliminary determinations, November 6, 2020.<sup>15</sup>

---

<sup>13</sup> The importer certification is provided at Appendix III.

<sup>14</sup> See Preliminary Decision Memorandum at “Use of Facts Available with an Adverse Inference” section; *see also Anti-circumvention Inquiry of the Antidumping Duty Order on Certain Pasta from Italy: Affirmative Preliminary Determination of Circumvention of the Antidumping Duty Order*, 63 FR 18364, 18366 (April 15, 1998), unchanged in *Anti-Circumvention Inquiry of the Antidumping Duty Order on Certain Pasta from Italy: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 63 FR 54672, 54675-6 (October 13, 1998).

<sup>15</sup> See Preliminary Decision Memorandum at “Use of Facts Available with an Adverse Inference” section.

CBP shall require cash deposits in accordance with those rates prevailing at the time of entry, unless the importer can certify to CBP that the subject-paper rolls will not be further processed into uncoated paper sheets subject to the *Orders* in the United States.<sup>16</sup> In that latter instance, no cash deposit rate will be required. Subject-paper rolls meeting the physical characteristics described above, which are produced and/or exported by the non-responsive companies (*i.e.*, CNAL, Kingdecor, Shandong Sun Paper, Sun Paper HK, and Sunpack), will not be eligible for certification.

#### Public Comment

Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the time limit for filing case briefs. Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>17</sup> Case and rebuttal briefs should be filed electronically via ACCESS.<sup>18</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice.<sup>19</sup> Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.<sup>20</sup>

---

<sup>16</sup> See Appendix II for the certification requirements and Appendix III for the importer certification.

<sup>17</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>18</sup> See 19 CFR 351.303.

<sup>19</sup> See 19 CFR 351.310(c).

<sup>20</sup> *Id.*

### Notification to the ITC

Consistent with section 781(e) of the Act, Commerce is notifying the ITC of these affirmative preliminary determinations to include the merchandise subject to these inquiries within the AD and CVD orders on uncoated paper from China. Pursuant to section 781(e) of the Act, the ITC may request consultations concerning Commerce's proposed inclusion in the *Orders* of the inquiry merchandise. These consultations must be concluded within 15 days after the date of the request. If, after consultations, the ITC believes that a significant injury issue is presented by the proposed inclusion, it will have 60 days to provide written advice to Commerce.

### Notification to Interested Parties

This notice is published in accordance with section 781(a) of the Act and 19 CFR 351.225(g).

Dated: November 6, 2020.

**Jeffrey I. Kessler,**

*Assistant Secretary*

*for Enforcement and Compliance.*



## **Appendix I**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Orders
- IV. Merchandise Subject to the Anti-Circumvention Inquiries
- V. Period of Anti-Circumvention Inquiries
- VI. Statutory Framework
- VII. Use of Facts Available with An Adverse Inference
- VIII. Anti-Circumvention Analysis
- IX. Country-Wide Determination
- X. Certification Requirement
- XI. Recommendation

## Appendix II

### Certification Requirements

If an importer imports subject-paper rolls from China and claims that the subject-paper rolls will not be further processed into uncoated paper sheets covered by the *Orders*, the importer is required to complete and maintain the importer certification attached hereto at Appendix III and all supporting documentation. Where the importer uses a broker to facilitate the entry process, it should obtain the entry summary number from the broker. Agents of the importer, such as brokers, however, are not permitted to make this certification on behalf of the importer.

All importers of subject-paper rolls from China are eligible for the certification process detailed below. However, entries of subject-paper rolls produced and/or exported by Central National Asia Limited, Kingdecor (Zhejiang) Co., Ltd., Shandong Sun Paper Industry Joint Stock Co Ltd, Sun Paper (Hong Kong) Co., Limited, and Sunpack Paper Products Company, are ineligible for certification.

For entries of subject-paper rolls from China entered, or withdrawn from warehouse, for consumption on or after the date this preliminary determination was signed for which the importer claims that the rolls will not be further processed into uncoated paper subject to the orders, the importer is required to meet the certification and documentation requirements detailed in the certifications in order for no suspension of liquidation and no cash deposit to be required for such entries. Among other requirements detailed below, importers are required to maintain a copy of any certifications, as well as sufficient documentation supporting the certification (*i.e.*, documents maintained in the normal course of business, or documents obtained by the certifying party, for example, mill certificates, production records, invoices, *etc.*) for the later of: (1) a period of five years from the date of entry; or (2) a period of three years after the conclusion of any litigation in the United States courts regarding such entries.

For all such shipments and/or entries on or after the date these preliminary determinations were signed, through 14 days after the publication of these preliminary determinations in the

*Federal Register*, for which certifications are required, importers should complete the required certifications no later than 14 days after the date of publication in the *Federal Register*.

Accordingly, where appropriate, the relevant bullet in the certification should be edited to reflect that the certification was completed within the time frame specified above. For example, the bullet in the importer certification that reads: “This certification was completed at or prior to the time of Entry Summary,” could be edited as follows: “The imports referenced herein entered on {insert date}. This certification was completed on mm/dd/yyyy, within 14 days of the publication date of the *Federal Register* notice of the preliminary determinations of circumvention.”

For all shipments and/or entries made later than the 14th day after the publication in the *Federal Register* for which certifications are required, importers should complete the required certification at or prior to the date of Entry Summary.

## Appendix III

### Importer Certification

I hereby certify that:

(A) My name is {IMPORTING COMPANY OFFICIAL'S NAME} and I am an official of {NAME OF IMPORTING COMPANY}, located at {ADDRESS OF IMPORTING COMPANY}.

(B) I have direct personal knowledge of the facts regarding the importation into the Customs territory of the United States of subject-paper rolls produced in the People's Republic of China (China) that entered under entry summary number(s), identified below, and which are covered by this certification. Subject-paper rolls are defined as certain uncoated paper rolls commonly, but not exclusively, known as "sheeter rolls," (rolls with paper that weigh at least 40 grams per square meter but not more than 150 grams per square meter; and paper that either is a white paper with a GE brightness level of 83 +/-1% or higher or is a colored paper) that may be converted into subject merchandise. The uncoated paper rolls are typically, but not exclusively, between 52 and 103 inches wide and 50 inches in diameter. Subject-paper rolls are classified under HTSUS category 4802.55. "Direct personal knowledge" refers to facts the certifying party is expected to have in its own records. For example, the importer should have direct personal knowledge of the importation of the product (*e.g.*, the name of the exporter) in its records.

(C) If the importer is acting on behalf of the first U.S. customer, complete this paragraph, if not put "NA" at the end of this paragraph: The imported subject-paper rolls covered by this certification were imported by {NAME OF IMPORTING COMPANY} on behalf of {NAME OF U.S. CUSTOMER}, located at {ADDRESS OF U.S. CUSTOMER}.

(D) The imported subject-paper rolls covered by this certification were shipped to {NAME OF PARTY TO WHOM MERCHANDISE WAS FIRST SHIPPED IN THE UNITED STATES}, located at {ADDRESS OF SHIPMENT}.

(E) Select appropriate statement below:

☐ I have direct personal knowledge of the facts regarding the end-use of the imported product because my company is the end-user of the imported product covered by this certification and I certify that the imported subject-paper rolls will not be used to produce subject merchandise. "Direct personal knowledge" includes information contained within my company's books and records.

☐ I have personal knowledge of the facts regarding the end-use of the imported product because my company is not the end-user of the imported product covered by this certification. However, I have been able to contact the end-user of the imported product and confirm that it will not use this product to produce subject merchandise. The end-user of the imported product is {COMPANY NAME}. "Personal knowledge" includes facts obtained from another party (*e.g.*, correspondence received by the importer from the end-user of the product).

(F) The imported subject-paper rolls covered by this certification will not be further processed into uncoated paper sheets in the United States. (NOTE: For certifications related to entries made on or after November 6, 2020, and through 14 days after the publication of the Preliminary Determination, the importer should replace "will not be further processed" with "were not further processed" in the certification, as necessary).

(G) This certification applies to the following entries (repeat this block as many times as necessary):

Entry Summary #:

Entry Summary Line Item #:

Foreign Seller:

Foreign Seller's Address:

Foreign Seller's Invoice #:

Foreign Seller's Invoice Line Item #:

Producer:

Producer's Address:

(H) I understand that {NAME OF IMPORTING COMPANY} is required to maintain a copy of this certification and sufficient documentation supporting this certification (*i.e.*, documents maintained in the normal course of business, or documents obtained by the certifying party, for example, mill certificates, production records, invoices, *etc.*) for the later of: (1) a period of five years from the date of entry; or (2) a period of three years after the conclusion of any litigation in the United States courts regarding such entries.

(I) I understand that {NAME OF IMPORTING COMPANY} is required to provide this certification and supporting records to U.S. Customs and Border Protection (CBP) and/or the Department of Commerce (Commerce), upon request by the respective agency.

(J) I understand that the claims made herein, and the substantiating documentation, are subject to verification by CBP and/or Commerce.

(K) I understand that failure to maintain the required certifications, and/or failure to substantiate the claims made herein, and/or failure to allow CBP and/or Commerce to verify the claims made herein, may result in a *de facto* determination that all entries to which this certification applies are within the scope of the antidumping/countervailing duty orders on certain uncoated paper from China. I understand that such finding will result in:

(i) suspension of liquidation of all unliquidated entries (and entries for which liquidation has not become final) for which these requirements were not met;

(ii) the requirement that the importer post applicable antidumping duty and/or countervailing duty cash deposits (as appropriate) equal to the rates determined by Commerce; and

(iii) the revocation of {NAME OF IMPORTING COMPANY}'s privilege to certify future imports of subject-paper rolls from China as not being imported for purposes of further processing into the United States into uncoated paper sheets.

(L) I understand that agents of the importer, such as brokers, are not permitted to make this certification. Where a broker or other party was used to facilitate the entry process, {NAME OF IMPORTING COMPANY} obtained the entry summary number and date of entry summary from that party.

(M) This certification was completed at or prior to the date of entry summary.

(N) I am aware that U.S. law (including, but not limited to, 18 U.S.C. section 1001) imposes criminal sanctions on individuals who knowingly and willfully make material false statements to the U.S. government.

Signature

{NAME OF COMPANY OFFICIAL}

{TITLE}

[FR Doc. 2020-25159 Filed: 11/12/2020 8:45 am; Publication Date: 11/13/2020]